LATVIA — THE NEXT GREAT INVESTMENT DESTINATION

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International companies **choose LATVIA**

Norwegian

Norwegian Air is Norway's largest airline and the #4 largest low-cost carrier in Europe. During its first year of operations in Latvia, Norwegian had a team of 140 employees.

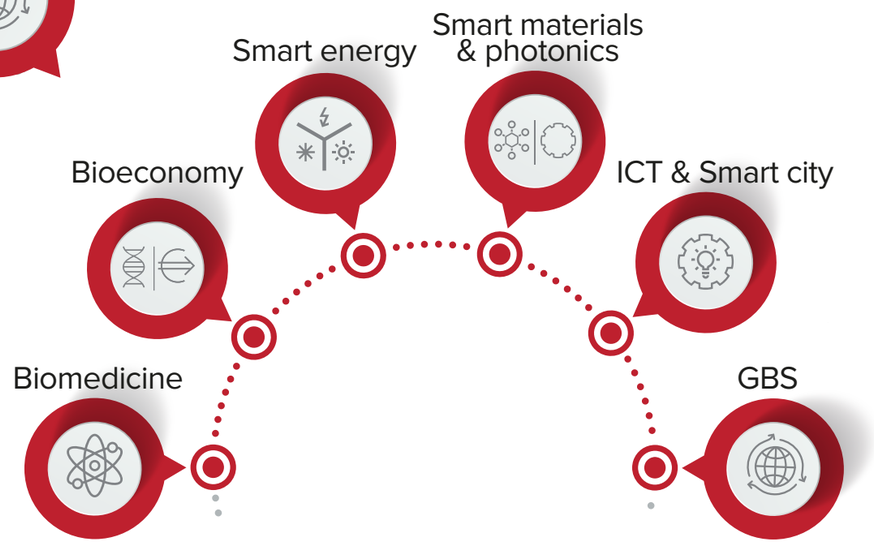
Swisscom

Swisscom is the #1 telecommunications provider and one of the leading IT companies in Switzerland. The company's ambition is to become the #1 DevOps team in Europe by 2025. Swisscom plans to invest up to €20 million in Latvia over the next three years.

Webhelp

Webhelp is a multinational business headquartered in France. From sales to service, and from content moderation to credit management, Webhelp is an end-to-end partner for B2C and B2B customer journeys.

6 Smart **Specialization Sectors**



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Investment and Development Agency of Latvia | investinlatvia.org | invest@liaa.gov.lv

Latvia's economy at a glance

FDI stock in 2021 –
€20.96 bn
63.7%
of GDP

The **largest** foreign **investors** in **2021** (% of the total FDI stock):

- **Sweden (28.8%)**
- **Estonia (12.2%)**
- **Lithuania (7.2%)**
- **Cyprus (6.0%)**
- **Germany (5.9%)**

GDP growth
in **2021 — 4.7%**
for **2022 — 4.4%**
(the forecast by European Commission).

78.9%
of GDP
generated by service sectors (2021)

Exports equal to
64%
of GDP
(2021)

In **2021**
Latvian foreign trade turnover amounted to
€42.80 bn
which is **21.4%** more than in 2020 at current prices, while exports grew by **18.3%** or **3.25 bn**.

Source: Bank of Latvia, CSB,

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Favourable Business Environment

#2 in International Tax Competitiveness Index among OECD countries (Tax Foundation, 2021)

#18 in the world in Economic Freedom Index (2022)

#2 in sustainability & ESG in the world (FDI Intelligence, 2021)

0% tax on reinvested profit

Vibrant startup ecosystem; strongest areas - **fintech, deeptech** and **drones**

Baltic Metropolis

Riga is the **3rd** **largest City in Northern Europe**

Riga International Airport exceeded the threshold of **2.35 mln** passengers in 2021

38% **Riga International Airport** serves **almost ½** of all passengers in the Baltic airports

Qualified **talent pool**

62% of people aged 25 to 34 speak at least **two foreign languages**

High rates of **university attendance** (**81%**, gross enrolment ratio)

13% Large proportion of **international students**

Source: CSB Eurostat

Building a **strong startup ecosystem**

Startup law offers 3 support mechanisms: fixed social tax, waived personal income and 45% co-financing of highly qualified employees

Startup visa a 3-year family-friendly residence permit for all non-EU startup founders

Acceleration funds – € 15 mln for pre-seed and seed investments, managed by 3 highly qualified funds: Buildit, Commercialization Reactor and Overkill

Fostering innovation and enhancing its **economic impact**

- Available support for innovation development: **€ 178 mln**
- **Technology transfer grants** for public research institutions to turn academic research results into market-ready technologies and products
- **Innovation vouchers** for businesses to promote innovations and encourage cooperation between research and industry
- **13 Business Incubators** all over Latvia
- LIAA is becoming a one-stop-shop for all local and foreign startups and investors